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C O N F I D E N T I A L SECTION 01 OF 03 NICOSIA 000595

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SUBJECT: CYPRUS: TURKISH CYPRIOT LEADER UPBEAT AFTER START

OF SECOND ROUND OF UN-BROKERED PEACE TALKS

REF: A. NICOSIA 577

¶B. PANICO-NETOS SEPTEMBER 3 E-MAIL

1C. NICOSIA 576
1D. NICOSIA 561

Classified By: Ambassador Frank C. Urbancic for reasons 1.4(b) and 1.4(d)

 $\underline{\mbox{1}}\mbox{1}.$ (C) Summary: In a September 11 meeting with the Ambassador, Turkish Cypriot (T/C) leader Mehmet Ali Talat said that the September 10 meeting launching the second round of UN-brokered talks went "extraordinarily well." He was nonplussed by Greek Cypriot (G/C) leader Demetris Christofias' postponement of the original September 3 kick-off date (Ref C) and described his G/C counterpart as "totally constructive." On electing the federal executive (the subject matter of the Sept 10 meeting), Talat noted that the Turkish Cypriots had "walked back" the Annan Plan by accepting a President/Vice President indirect election model. He dismissed the G/C bicommunal, single ticket direct election scheme as "impossible" given that rightist parties would be unable to find bicommunal partners. He was heartened by Christofias' apparent willingness to discuss expediting the talks--a "first" according to him. Nevertheless, Talat lobbied for increased U.S. and UN involvement and warned "no serious steps" were possible given the present "timidity" of the international community. He said the risk of his ouster by an anti-solution candidate in April 2010 was serious and would derail the entire process. He is traveling to the United States for the UN General Assembly and hopes for meetings with both the Secretary and UNSYG Ban Ki-Moon. The Ambassador told Talat that the U.S. government would continue to support his negotiating efforts and urged him to think of ways that Ankara could broadcast its pro-solution policy in a language understandable to the Greek Cypriots, possibly through a small, but symbolic gesture. End Summary.

Start of Second Round: "Went Extraordinarily Well"

12. (C) Talat was upbeat after the start of the second round of UN-brokered negotiations on September 10, after Christofias canceled the original September 3 meeting in protest over the Limnitis/Yesilirmak crossing "debacle" (Ref D). Talat commented that they had lost a day "without any reason," then praised the September 10 meeting as having gone "extraordinarily well." He said he had been expecting the worst, but instead found Christofias to be "very understanding" as the two worked on how to elect the federal executive, one of the main goals of the second reading, along with devising a property regime.

 $\P3.$ (C) Talat was energized about the T/C governance proposal presented September 10, which he said both overcame Turkish sensitivities and represented a significant departure from the previous ${\ensuremath{{\text{T/C}}}}$ position that had been similar to provisions in the Annan Plan. (Note: According to our contacts, Talat reportedly previewed the proposal on September 1 to Turkish FM Davutoglu, who had no major objections (Ref B). End Note.) With this proposal, Talat said, the T/Cs dropped their first round proposal of a weak Swiss-style "Presidential Council" in favor of two rotating "members of the presidency."

According to the new T/C proposal, the two would be chosen from and by the communally elected Senate (equally divided between Greek and Turkish Cypriots) on a single, bicommunal ticket. The winning ticket would have to get 50 percent from both communities in the first two rounds, or 40 percent from both on the third and final vote. Failing that, a transitional government would be formed and new senate elections would be called within a year. Talat said he was "100 percent" sure the plan would work since it addressed both T/C needs (communal voting) and G/C concerns (a strong executive), while allowing right-wing candidates to build coalitions in the small, collegial senate. He said Christofias had told him that he would "consider" the new idea, without commenting on its merits.

G/C Executive Proposal: "A Real Threat"

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14. (C) Talat dismissed a G/C proposal of weighted direct voting (60:40) on a bicommunal ticket as "a real threat." He said that G/Cs had merely sweetened the pot over their first-round proposal, which had been the same arrangement but weighted 70:30. He further claimed the scheme would marginalize those on the right in both communities, who would be hard pressed to find compatible, bicommunal partners. "Rightists are the majority in the north," Talat complained, "but Christofias told me 'to get rid of them.'" Talat worried that the results also might not be legitimate in T/C eyes, since the executive could possibly be elected with only minimal support from the T/C community. He added that the National Unity Party (UBP), the "ruling" party in the north that has even rejected Talat's proposal, would never accept the G/C idea.

Speeding Up the Process

15. (C) Talat said he was encouraged by Christofias' agreeing to discuss expediting the negotiations at their next meeting on September 17. He dubbed this "a first" for Christofias, who had hitherto rejected increasing the pace or intensity of the process. Talat said that he, personally, was open to a number of modalities, including conducting longer meetings (now about 2.5 to 3 hours) or more focused ones (e.g., Christofias-Talat tete-a-tete, followed by a session to read out their position papers). Talat, who is acutely aware of the passing of time, was hopeful a compromise could be struck to speed things up. (Note: After the September 17 meeting, UN SRSG Taye-Brook Zerihoun announced publicly that the leaders had decided to defer the October 2 meeting, but would meet October 7 and 8 and also October 14 and 15; he added that the leaders had decided to maintain an accelerated pace. End note.)

No "Serious Steps" Possible without the Intl Community

 $\underline{\mbox{\bf 1}}6$. (C) In a familiar refrain, Talat said that the USG and the UN were still "a bit reluctant" to engage on the Cyprus

problem. He lauded the activism of Swedish FM Carl Bildt and said that the international community needed to cast off its "timidity." Otherwise, he warned, no "serious steps" would be achieved. For example, he advocated a joint meeting in New York with President Christofias under the aegis of the UNSYG and said that he had already informed UNSYG SA Downer of this desire. (Note: Downer told us that he was against a joint meeting during UNGA given strong G/C antipathy. End Note.) Talat said he is planning a U.S. visit during UNGA (9/19-22 in Washington and 9/23-24 in New York) and inquired about the possibility of a meeting with the Secretary. He said that he already had a confirmed meeting with British FM David Miliband and a likely one with FM Bildt.

Risk of Defeat in April 2010 Elections "Real"

17. (C) Talat said his reelection in April 2010 "Presidential elections" was far from assured, adding that the elections posed a "real threat." He warned Christofias, he said, that it would be "impossible" to negotiate with his likely electoral opponent, "TRNC PM" Dervish Eroglu, a hard-liner who does not speak English. (Comment: We largely agree with both assessments. End Comment)

Talat at a Loss on Possible Gestures from Ankara

- 18. (C) Talat was unable to respond to the Ambassador's question about small gestures Ankara might make to ease G/C suspicions and foster good will. He could not think of any symbolic action and said it was impossible for any Turkish government to implement the Additional Ankara Protocol without the Greek Cypriots lifting T/C isolation. The return of Varosha to G/C administration, he added, was part of the comprehensive solution. Consequently, Talat said that he had told Christofias to cease pressuring Turkey. This appeal, he said, was met by silence from Christofias.
- $\P 9$. (C) Comment: Talat's governance proposal represents the most serious negotiation toward common ground since talks began a year ago. Talat's precarious domestic position was put in dramatic relief when his proposal to the G/Cs was

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quickly pounced on by his own right-wing "government" and nationalists, who together control about 55-60% of the vote in the north. They charged Talat with "selling out" Turkish Cypriot "sovereignty," forcing him to invoke Ankara to dampen criticism. We expect such attacks to increase in volume and intensity as the process moves forward (in tandem with the anti-solution chorus in the south), making Talat's position all the more difficult and Ankara's vocal support for his efforts more important. End Comment.

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